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United States  
Department of  
Agriculture

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Information

# **Selected Speeches and News Releases**

**February 23 - March 2, 1989**

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# News Releases

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## **USDA TO REVISE GRADE STANDARDS FOR FLUE-CURED TOBACCO**

WASHINGTON, Feb. 23—The U.S. Department of Agriculture is making minor revisions to clarify definitions and applications of the terms “injury” and “waste” used in standards for seven grades of low-quality, or “nondescript,” flue-cured tobacco.

The changes narrow the terms to specific percentages, thus aiding federal-state employees grading this kind of flue-cured tobacco, J. Patrick Boyle, administrator of USDA’s Agricultural Marketing Service, said. Currently, the terms can be used loosely, resulting in the chance of inconsistent grading. “The changes, effective March 27, will provide a more accurate picture of tobacco arriving at the marketplace,” Boyle said.

Notice of the changes will be published as a final rule in the Feb. 24 Federal Register.

Clarence Steinberg (202) 447-6179

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## **USDA RECALIBRATES NMRs FOR SUNFLOWER SEED OIL; PUBLIC MEETING SET**

WASHINGTON, Feb. 23—The U.S. Department of Agriculture’s Federal Grain Inspection Service has begun to recalibrate its nuclear magnetic resonance instruments (NMRs) used to determine the oil content of sunflower seeds.

FGIS data show the NRM results were stable and accurate from 1984, when the program was established, until last fall. At that time, the NMRs began overstating the oil content of sunflower seed samples by an average of 0.36 percent (adjusted to a 10-percent moisture basis) when compared to the solvent-extraction reference method.

The deviation is attributed to the 1988 drought and changes in seed varieties which altered the chemical structure of the oil.



A public meeting to discuss the updated calibration will be held March 1 in Fargo, N.D. The agenda will include a review of the processes that FGIS uses to establish and change calibrations, and a summary of the evaluation that prompted this change in the sunflower seed oil calibration.

The meeting will convene at 9:30 a.m. at the Holiday Inn, 3803 13th Ave. South. Persons who wish to present written or oral statements should contact Lewis Lebakken Jr., USDA, FGIS, P.O. Box 96454, Washington, D.C. 20090-6454; telephone (202) 475-3428; FAX (202) 447-4628).

Allen Atwood, (202) 475-3367.

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## **USDA ANNOUNCES PREVAILING WORLD MARKET PRICE FOR UPLAND COTTON**

WASHINGTON, Feb. 23—Acting Under Secretary of Agriculture Richard W. Goldberg today announced the prevailing world market price, adjusted to U.S. quality and location (adjusted world price), for Strict Low Middling (SLM) 1-1/16 inch (micronaire 3.5-4.9) upland cotton (base quality) and the coarse count adjustment in effect from 12:01 a.m. Friday, Feb. 24, through midnight Thursday, Mar. 2.

Since the AWP is less than the 1987-crop and 1988-crop base quality loan rates of 52.25 and 51.80 cents per pound, respectively, the loan repayment rate for 1987-crop and 1988-crop upland cotton during this period is equal to the AWP adjusted for the specific quality and location.

Because the loan repayment rate for 1988-crop upland cotton in effect during this period is less than the established loan rate, loan deficiency payments will be made to eligible producers who agree to forgo loan eligibility on their 1988-crop upland cotton. The loan deficiency payment rate for cotton which the producer agrees not to pledge as loan collateral during this period will equal the difference between the loan rate and the loan repayment rate in effect for that period.

The AWP will continue to be used to determine the value of upland cotton that is obtained in exchange for commodity certificates.

Based on data for the week ending Feb. 23, the AWP for upland cotton and the coarse count adjustment are determined as follows:

Adjusted World Price	
Northern Europe Price .....	61.78
Adjustments:	
Average U.S. spot market location .....	11.99
SLM 1-1/16-inch cotton.....	2.00
Average U.S. location .....	0.42
Sum of Adjustments .....	-14.41
ADJUSTED WORLD PRICE .....	47.37 cents/lb.
Coarse Count Adjustment	
Northern Europe Price .....	61.78
Northern Europe Coarse Count Price .....	-56.67
	5.11
Adjustment to SLM 1-inch cotton .....	-4.15
COARSE COUNT ADJUSTMENT .....	0.96 cents/lb.

The next AWP and coarse count adjustment announcement will be made on Mar. 2.

Charles Cunningham (202) 447-7954

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## USDA REOPENS COMMENT PERIOD ON CHANGES IN RICE STANDARDS

WASHINGTON, Feb. 27—The U.S. Department of Agriculture’s Federal Grain Inspection Service is reopening the public comment period on proposed changes to the U.S. standards for rice until March 10.

The changes originally were proposed Oct. 26 in the Federal Register. FGIS Administrator W. Kirk Miller said only six organizations and firms submitted comments.

FGIS proposes to revise the standards for rough rice by adding a separate category for heat-damaged kernels and by changing the grade “weevily” to the more inclusive term “infested.”

FGIS also proposes to revise the standards for rough rice, brown rice for processing and milled rice by incorporating insect infestation tolerances, revising rounding procedures, and eliminating many footnotes and footnote references in the standards. The proposal also includes

several miscellaneous, nonsubstantive changes to improve clarity and simplify language in the standards.

Notice of the reopened comment period was published today in the Federal Register. Public comments may be submitted until March 10 to Lewis Lebakken Jr., USDA, FGIS, P.O. Box 96454, Washington, D.C. 20090-6454; telephone (202) 475-3428.

Allen Atwood, (202) 475-3367.

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## **CONSERVATION VOLUNTEERS RECEIVE EARTH TEAM AWARD**

WASHINGTON, Feb. 28—The Hartford County, Conn., Soil and Water Conservation District volunteers received the second annual National Earth Team Award, co-sponsored by the U.S. Department of Agriculture's Soil Conservation Service and the National Association of Conservation Districts. The award recognizes volunteers active in soil and water conservation.

Wilson Scaling, SCS chief, said, "We want to recognize the important contribution made by Earth Team volunteers in soil and water conservation in Hartford County. The volunteers are essential to SCS's meeting the 1985 Farm Bill deadlines on conservation compliance. We couldn't do it without their contributions."

Hartford County's 10 Earth Team volunteers have put in more than 1,600 hours doing everything from helping with surveying and field inspections to designing layouts for the district's newsletters. For example, one volunteer assisted with compiling land-use data to be used in developing a transfer of development rights program aimed at preserving farmland. Another volunteer helped establish nature trails, and constructed and installed informational trail signs in braille.

The award was announced at NACD's recent annual meeting in Salt Lake City, Utah. According to NACD President Clarence Durban, "We are pleased to be able to recognize volunteers for their contributions of time, knowledge and experience. Hartford County has used volunteers from both rural and urban areas who have diversified backgrounds. They have included teachers, students, engineers, homemakers, retirees, and others."



Persons interested in learning how to help conserve our nation's soil and water resources should contact their local conservation district or SCS office. Or, telephone SCS's toll-free number—1-800/THE-SOIL—for information on volunteer opportunities.

Leslie Wilder (202) 447-3608

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## **USDA ANNOUNCES PREVAILING WORLD MARKET RICE PRICES**

WASHINGTON, Feb. 28—Acting Under Secretary of Agriculture Richard W. Goldberg today announced the prevailing world market prices of milled rice, loan rate basis, as follows:

- long grain whole kernels, 10.11 cents per pound;
- medium grain whole kernels, 9.46 cents per pound;
- short grain whole kernels, 9.38 cents per pound;
- broken kernels, 5.06 cents per pound.

Minimum loan repayment rates for 1987 crop loans are the higher of the world price or 50 percent of the loan rate. For 1988 crop rice, the minimum repayment rates are the higher of the world price or 60 percent of the loan rate.

Based upon these prevailing world market prices for milled rice, rough rice world prices are estimated to be:

- long grain, \$6.25 per hundredweight;
- medium grain, \$5.92 per hundredweight;
- short grain, \$5.64 per hundredweight.

The prices announced are effective today at 3:00 P.M. EST. The next scheduled price announcement will be made March 7 at 3:00 P.M. EST, although prices may be announced sooner if warranted.

Gene Rosera (202) 447-5954

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## **CCC LOAN INTEREST RATE FOR MARCH 9-1/8 PERCENT**

WASHINGTON, March 1—Commodity loans disbursed in March by the U.S. Department of Agriculture's Commodity Credit Corporation will carry a 9-1/8 percent interest rate, according to Milton Hertz, CCC executive vice president.

The new rate, up from February's 9 percent, reflects the interest rate charged CCC by the U.S. Treasury in March.

Robert Feist (202) 447-6789

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## **USDA CONFERENCE TO SEEK IMPROVED RECRUITMENT OF HISPANICS**

WASHINGTON, March 1—The U.S. Department of Agriculture will hold its first regional Hispanic Employment Conference March 16 and 17 in Albuquerque, N.M., to improve recruitment of USDA employees of Hispanic heritage.

The conference is part of USDA's Hispanic Employment Program (HEP). HEP's goal is to increase the percentage of Hispanics in USDA jobs. "Hispanic U.S. citizens currently are under-represented in virtually all USDA job categories compared with their numbers in the civilian workforce," said Naomi Churchill, director of USDA's Office of Advocacy and Enterprise.

The conference and will be the first of five such conferences planned for different regions where populations include high per-capita proportions of Hispanics.

Churchill said the conference will be attended by USDA officials, representatives of universities with significant Hispanic enrollment, local Hispanic community officials, and Hispanic advocacy groups. "This conference has been designed to achieve more than just discussion," Churchill said. "We will specifically define procedures for contact between USDA and the region's many sources of job candidates of Hispanic descent. Further, we will train USDA HEP managers how to utilize these recruitment contacts to begin attaining equitable representation of Hispanics on the USDA employment roles compared to the civilian labor force."

To achieve this two-fold goal, the event will be divided into two parts. On the March 16, USDA HEP managers and other agency representatives will meet to specify recruitment procedures. On March 17, USDA officials, community leaders, advocacy groups and university representatives will meet on the campus of New Mexico Highlands University to establish contacts and methods of informing potential candidates of USDA job openings.

USDA HEP Director Vionette Tidwell said the overall aim of the conference is to establish ongoing contacts between USDA and sources of job applicants, including placement officers at universities with Hispanic enrollment of 20 percent or more. “This first conference has a regional focus on New Mexico, southern Colorado, Arizona and northern Texas, but the systems we develop here will serve as a model for regions covered by future conferences,” Tidwell said. “It’s a beginning, but an important beginning which shows the USDA is dedicated to creating equal opportunity in its employment programs.”

Vie Tidwell (202) 447-8703

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**USDA ANNOUNCES 1989 ACREAGE ALLOTMENTS FOR FIVE KINDS OF TOBACCO**

WASHINGTON, March 1—The U.S. Department of Agriculture today announced acreage allotments for five kinds of tobacco for the 1989 marketing year and quotas for Virginia sun-cured tobacco for the next three marketing years. The 1988 allotments are included in the following table for comparison.

Kind of Tobacco	Acreage	
	1988	1989
Virginia fire-cured (type 21)	5,588	4,838
Kentucky-Tennessee fire-cure (types 22-23)	11,890	14,319
Dark air-cured (types 35-36)	4,006	4,392
Virginia sun-cured (type 37)	595	401
Cigar filler and binder (types 42-44 and 53-55)	8,296	11,095



Except for farms on which producers in recent years have planted or received planted credit of less than 75 percent of the farm's acreage allotment, Virginia fire-cured and sun-cured allotments will remain unchanged from 1988; dark air-cured allotments will be increased by 10 percent from 1988; Kentucky-Tennessee fire-cured allotments will increase 20 percent from 1988; and the cigar filler and binder allotments will increase 40 percent from 1988.

USDA will hold a referendum March 27-30 for producers of Virginia sun-cured tobacco to determine if growers approve the use of quotas for the marketing years 1989, 1990 and 1991. If more than one-third of the producers who vote oppose quotas, marketing quotas will not be in effect for the 1989 marketing year.

Quotas were in effect for the 1986-88 crops of Virginia sun-cured tobacco. Quotas were approved by a 95 percent majority.

Notices of the 1989 allotments for individual farms will be mailed to producers by county Agricultural Stabilization and Conservation Committees.

The committees will also mail referendum ballots to all known eligible producers. Producers who do not receive a ballot may obtain one from their county ASCS office.

Bruce Merkle, telephone (202) 447-6787.

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## **USDA SETS 1989 MARKETING QUOTAS FOR THREE KINDS OF TOBACCO**

WASHINGTON, March 1—The U.S. Department of Agriculture today issued tobacco marketing quotas for three kinds of tobacco: Maryland (type 32), 12,813 acres; cigar filler (type 41), 3,041 acres; and cigar binder (types 51-52), zero acres; for the 1989, 1990 and 1991 crops.

A referendum will be held March 27-30 to determine if growers want marketing quotas to be in effect for these tobaccos for the marketing years 1989, 1990 and 1991. Quotas were last set on these tobaccos for the 1986-1988 crops, but were rejected by growers in February 1986.

If growers vote in favor of quotas, quotas will be in effect for the next three crops and price supports will be available. If quotas are disapproved, production will not be limited and price support loans will not be available.



Quotas were last in effect in 1965 for Maryland tobacco, grown in Maryland and Pennsylvania. Quotas have never been in effect for cigar-filler (type 41) tobacco, grown in Pennsylvania. Quotas were last in effect in 1983 for cigar binder (types 51 and 52) grown in Connecticut and Massachusetts.

Tobacco growers grew 13,500 acres of Maryland tobacco, 6,000 acres of cigar filler and 950 acres of cigar binder tobacco in 1988.

Notices showing the 1989 allotments for individual farms will be mailed to producers by county Agricultural Stabilization and Conservation Committees. The committee also will mail referendum ballots to all known eligible producers. Producers who do not receive a ballot may obtain one from their county ASCS office.

Bruce Merkle (202) 447-6787.

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## **BIOTECH ADVISORY COMMITTEE MEETING TO REVIEW FIELD TEST OF GENE-ALTERED CARP**

WASHINGTON, March 2—The U.S. Department of Agriculture's Agricultural Biotechnology Research Advisory Committee (ABRAC) will meet here March 22-23 to review a proposal by Auburn University to field test genetically altered carp, as well as drafts of biotechnology research guidelines and a handbook for field testing genetically engineered organisms.

Dr. Alvin Young, director of USDA's Office of Biotechnology and ABRAC's executive secretary, said "The committee will focus on Auburn's proposed confinement measures for an outdoor field test of pond-contained carp carrying altered genetic material."

The experimental carp have already received a growth hormone gene from trout, and will soon be ready to be tested in an outdoor pond. The purpose of the gene is to help the fish reach their full market size in less time with less feed. ABRAC will review Auburn's proposed confinement measures around the pond to determine if those measures will prevent introduction of the gene-altered carp into the environment.

Young said successful results of such experiments could help boost the nation's aquaculture industry, satisfy consumer demand for more fish, and shed new scientific light on transferring genes into fish.

Auburn's request for ABRAC review is the second from a university concerning an experiment that is ready to move from the laboratory to an outside test environment. The first was submitted by Texas A&M University to field test a genetically engineered brucellosis vaccine. At its last meeting, held Jan. 5-6, ABRAC determined that the proposed field confinement conditions of that experiment were adequate.

In addition to the Auburn proposal, ABRAC will review the latest drafts of USDA's "Guidelines for Research Outside the Laboratory Involving Biotechnology," and a handbook for field testing genetically engineered organisms.

The meeting will take place in room 104-A of USDA's Administration Building, the Mall, Washington, D.C., from 9 a.m. to 5 p.m. Wednesday, March 22, and from 9 a.m. to 3 p.m. Thursday, March 23. It is open to the public; individuals may participate as time and space permit.

For more information, or to file written comments, contact Dr. Alvin Young, executive secretary, Agricultural Biotechnology Research Advisory Committee, Office of Agricultural Biotechnology, USDA, Room 321-A, Washington, D.C. 20250; telephone (202) 447-9165.

Marti Asner (202) 447-9165

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## **ELIGIBLE 1988 CORN AND SORGHUM PRODUCERS DUE FARM PROGRAM PAYMENTS**

WASHINGTON, March 2—The U.S. Department of Agriculture's Commodity Credit Corporation this month will make about \$125 million in deficiency and 0/92 provision payments in commodity certificates to eligible producers of 1988 crop corn and sorghum.

Sorghum producers will receive about \$25 million in deficiency payments. Sorghum producers who requested advance deficiency payments during the 1988 feed grain program signup have already received payments of about \$218 million, said Milton Hertz, CCC executive vice president.

Most corn producers requested advance deficiency payments and were paid about \$2.6 billion at signup. "Corn producers who did not request advance payments will receive approximately \$1 million in deficiency payments in March," Hertz said.



Deficiency payments are required under the 1988 corn and sorghum programs because the national weighted average market price received by producers during the first five months of the marketing year (September through January) were below the established “target” price levels.

Deficiency payment rates are the difference between the target price for the commodity and the higher of the five-month average market price or the basic price support loan rate for the commodity.

The following table shows payments corn and sorghum producers will receive:

	Corn (\$/bu)	Sorghum (\$/bu)
A. Target Price	2.93	2.78
B. Basic Loan Level	2.21	2.10
C. Five-Month Market Price	2.57	2.30
D. Five-Month Final Deficiency Payment Rate A minus C	0.36	0.48
E. Advance Payment Rate	0.44	0.432

Producers who did not request advance deficiency payments will receive \$0.36 per bushel in corn payments and \$0.48 per bushel in sorghum payments. Sorghum producers who received advance deficiency payments will receive \$0.048 per bushel while corn producers who received advance deficiency payments will be required to refund \$0.08 per bushel.

In accordance with the Disaster Assistance Act of 1988, any refunds of advance deficiency payments that were made to corn producers during the 1988 program signup are not due until after July 31.

Under the 0/92 provision feed grain program participants had the option of underplanting program crop acreage while still earning program payments. Eligible producers in the 0/92 program are assured of receiving payments which are equal to at least the minimum deficiency payment rates of \$1.10 per bushel for corn and \$1.08 per bushel for sorghum. At this time, eligible producers will receive 0/92 payments of \$0.72 per bushel for corn and \$0.68 per bushel for sorghum, less any

advance payments. The total amount of these payments is about \$100 million, \$85 million to corn producers and \$15 million to sorghum producers.

The balance of the 0/92 payments will be made later.

Robert Feist (202) 447-6789

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## **USDA CONFERENCE IN ALBUQUERQUE TO HELP REGION'S SMALL FARMERS**

WASHINGTON, March 2—U.S. Department of Agriculture officials today announced a regional conference for small or limited resource farmers, March 13, 14 and 15 in Albuquerque, N.M.

Producers in the region with small farms or limited financial resources are invited to attend the March 14 and 15 sessions. The sessions have been designed to provide farmers, farm organizations and local officials with information about USDA programs, and expert advice on such topics as farm marketing and product diversification.

The conference is the second in an ongoing series organized by USDA's Office of Advocacy and Enterprise. The first was held last October in Baton Rouge, La.

Deputy Secretary of Agriculture Peter C. Myers said the conferences are part of USDA's effort to ensure that small or limited resource farmers are fully informed about options for participating in USDA programs, and the many types of technical information and advice available from USDA agencies. "We've designed the conference to provide the region's small farmers with direct access to officials from USDA's primary service agencies, who know the details of USDA programs," Myers said. "Farmers can also attend sessions addressing a small farm's profit-making ability, including workshops on alternative crops and farming methods, marketing strategies, and the formation of cooperatives as an aid to small farmers."

On March 15, participating farmers will tour USDA's Plant Materials Center on the Isleta Indian Reservation near Albuquerque, to see first-hand examples of alternative crops and agricultural practices.

The March 13 session has been set aside for federal and state agriculture employees, land-grant university employees, advocacy group leaders, and others that work with small or financially limited farmers.



Officials will discuss issues affecting small or economically disadvantaged farmers, and policies that are most effective in assisting them.

John Franke, USDA assistant secretary for administration, said the aim of the first session is to define for these officials the special problems faced by small or limited resources farmers, and what role USDA can play in helping solve those problems.

A chief area of focus will be on alternative agricultural practices and products. "Producing products other than standard program crops, when linked with creative local and regional marketing, offers the best chance for improving the profitability of small farm operations," Franke said. "During the first day's session, local USDA personnel will learn the specifics of this diversified approach to farming, including the advantages of various kinds of crops, marketing strategies and cooperative formation."

USDA agencies to be represented at the conference include the Agricultural Stabilization and Conservation Service, Cooperative State Research Service, Extension Service, Soil Conservation Service, Farmers Home Administration and Forest Service.

Farmers in Arizona, New Mexico, Colorado and western Texas are being alerted to the conference through USDA state and county offices, state departments of agriculture and land-grant universities. The March 14 session and March 15 tour convene at 8 a.m. at the downtown Convention Center, 401 2nd Street, N.W., Albuquerque.

Dana Froe (202) 447-1141

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## **USDA ANNOUNCES PREVAILING WORLD MARKET PRICE FOR UPLAND COTTON**

WASHINGTON, Mar. 2—Acting Under Secretary of Agriculture Richard W. Goldberg today announced the prevailing world market price, adjusted to U.S. quality and location (adjusted world price), for Strict Low Middling (SLM) 1-1/16 inch (micronaire 3.5-4.9) upland cotton (base quality) and the coarse count adjustment in effect from 12:01 a.m. Friday, Mar. 3, through midnight Thursday, Mar. 9.

Since the AWP is less than the 1987-crop and 1988-crop base quality loan rates of 52.25 and 51.80 cents per pound, respectively, the loan repayment rate for 1987-crop and 1988-crop upland cotton during this period is equal to the AWP adjusted for the specific quality and location.

Because the loan repayment rate for 1988-crop upland cotton in effect during this period is less than the established loan rate, loan deficiency payments will be made to eligible producers who agree to forgo loan eligibility on their 1988-crop upland cotton. The loan deficiency payment rate for cotton which the producer agrees not to pledge as loan collateral during this period will equal the difference between the loan rate and the loan repayment rate in effect for that period.

The AWP will continue to be used to determine the value of upland cotton that is obtained in exchange for commodity certificates.

Based on data for the week ending Mar. 2, the AWP for upland cotton and the coarse count adjustment are determined as follows:

Adjusted World Price	
Northern Europe Price .....	63.25
Adjustments:	
Average U.S. spot market location .....	12.00
SLM 1-1/16 inch cotton .....	2.00
Average U.S. location .....	0.42
Sum of Adjustments .....	<u>-14.42</u>
ADJUSTED WORLD PRICE .....	48.83 cents/lb.
Coarse Count Adjustment	
Northern Europe Price .....	63.25
Northern Europe Coarse Count Price .....	<u>-58.20</u>
	5.05
Adjustment to SLM 1-inch cotton .....	<u>-4.15</u>
COARSE COUNT ADJUSTMENT .....	0.90 cents/lb.

The next AWP and coarse count adjustment announcement will be made on Mar. 9.

Charles Cunningham (202) 447-7954

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